VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

| APPLICANT: | EQUITABLE RESOURCES ENERGY (COMPANY) | VIRGINIA GAS AND OIL BOARD |
|----------------|---|---------------------------------|
| RELIEF SOUGHT: | APPLICATION TO (1) ESTABLISH THE 112.69 ACRE DRILLING UNIT DESCRIBED IN EXHIBIT "A" HERETO TO BE SERVED BY WELL NO. V-3803 (herein "Subject Drilling Unit") PURSUANT TO § 45.1-361.20, CODE OF VIRGINIA; AND (2) POOL INTERESTS IN SUBJECT DRILLING UNIT FOR THE PRODUCTION OF GAS OTHER THAN COALBED METHANE GAS (herein referred to as "Conventional Gas" or "Gas") | DOCKET NO. VGOB 98-0721-0675 |
| LEGAL DESCRIPT | ION: | |
| | 112.69 ACRE DRILLING UNIT TO BE SERVED BY WELL NO. V-3803, GRACE SHORTT, ET AL TRACT, ROBERSON DISTRICT, FLAT GAP QUADRANGLE, WISE COUNTY, VIRGINIA (herein the "Subject Lands") | |

REPORT OF THE BOARD

ORDER OF DISMISSAL

- Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on August 18, 1998, Dickenson Conference Center, Southwest Virginia Education 4-H Center, Abingdon, Virginia.
- 2. Appearances: James E. Kaiser, Wilhoit & Kaiser, appeared as counsel for the Applicant.
- 3. <u>Jurisdiction</u>: Pursuant to Va. Code § 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter.
- 4. Relief Requested: Equitable Resources Energy Company's application in this matter sought to have the Board: (1) establish Subject Drilling Unit; (2) pool the rights, interests and claims of the Gas Owners in Subject Drilling Unit for the drilling and operation, including production thereof, from the pool defined as surface to total depth drilled of

5,050 feet to test for and produce Conventional Gas from all Devonian Shales, including, but not limited to the Base Lee Sands, Ravencliff, Maxon, Big Lime, Borden, Coffee Shale, Berea and Devonian Shale (hereinafter "Subject Formation") underlying and comprised of Subject Lands; and (3) name Applicant as the Operator of Subject Drilling Unit. Prior to the hearing of this matter, Applicant advised the Board that it had reached voluntary agreements with all parties in interest and asked that the Applicant be permitted to withdraw its Application for the compulsory pooling of the Subject Drilling Unit.

5. Relief Granted: Based upon Applicant's representation that it has reached voluntary agreements with all parties in interest, and there being no objections, the Board finds that the Application filed in the above-styled cause for the compulsory pooling of the Subject Drilling Unit is moot, and therefore, grants without prejudice Applicant's Motion to withdraw its application herein.

DONE AND EXECUTED this 23 day of September, 1998, by the Chairman in behalf of the Virginia Gas and Oil Board.

Chairman, Bonny R. Wamplet

DONE AND PERFORMED this 18th day of September, 1998, by Order of the Board.

Byton Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA

COUNTY OF WISE

Acknowledged on this 23 day of September, 1998, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

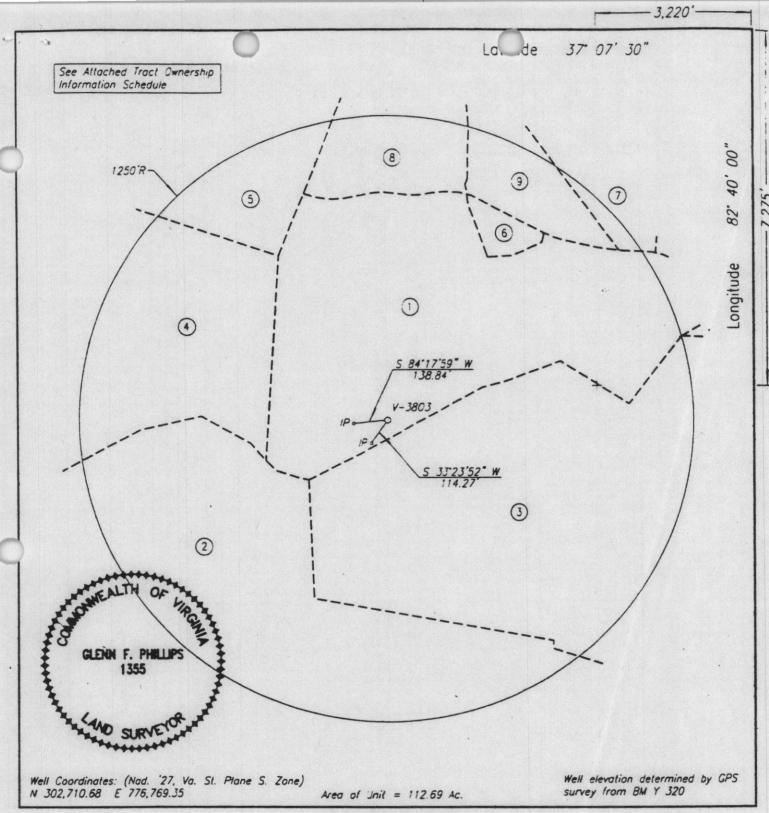
Susan G. Garrett
Notary Public

My commission expires: July 31, 2002

| COMMONWEALTH OF VIRGINIA | |) |
|--------------------------|---|---|
| COUNTY OF WASHINGTON | 1 |) |

> Diane J. Davis Notary Public

My commission expires: September 30, 2001



WELL LOCATION PLAT

| | urces Energy Company WELL NAME AND NUMBER V-3803 | |
|---------------------|---|------|
| TRACT NO. | ELEVATION 2033.65 QUADRANGLE Flat Gap | (Hay |
| COUNTY Wise | DISTRICT Roberson SCALE 1" = 400' DATE 6-09-19 | 98 |
| | x ; an updated plat; or a final location plat | |
| | of a well on United States topographic Maps, scale 1 to | |
| 24,000, latitude ar | longitude lines being represented by border lines as shown. | |
| 4 | Folking . | |

Licensed Professional Engineer or Licensed Land Surveyor